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Turkey

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Turkey Amends Land Inheritance Laws to Prevent Further Fragmentation

Report Categories:

Agricultural Situation

Policy and Program Announcements

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Report Highlights:

Turkey has amended its inheritance laws in order to prevent further fragmentation of agricultural lands. The amendments provide instruction on managing plots of land inherited from a deceased relative and establish a minimum size requirement for agricultural plots. Turkey estimates that it loses \$10 billion annually because of land fragmentation and the previous inheritance laws.

Background

In May 2014, Turkey made major changes to its longstanding inheritance laws. Prior to this reform, the inheritance laws stated that 25 percent of a deceased landowner's property should pass to the spouse, with the remaining amount divided equally among the children. After several generations of this practice, the land becomes extremely fragmented. Two-thirds of land in Turkey has been subdivided into pieces of land that are no bigger than five hectares (about 12.4 acres), and there was concern that the land would continue to be subdivided. Smaller farms are usually less efficient and productive, and are used mainly for subsistence farming. Fragmentation of farming lands is a major issue in Turkey, a country in which 25 percent of the working population is employed by the agricultural sector. Ministry of Food, Agriculture and Livestock Undersecretary Vedat Mirmahmutoğulları stated in 2013 that Turkey loses US \$10 billion annually due to fragmented agricultural fields. He also estimated that Turkey's agricultural exports could increase from US \$16 billion to US \$100-150 billion before the year 2023 if land fragmentation is dramatically reduced.

Amendments to the Law

Law No. 5403 on the Protection of Soil and Use of Land and the Turkish Civil Code (Law No. 4721) were amended by the Turkish Parliament in May 2014. The amendments are designed to prevent agricultural land from being further subdivided and to establish a minimum size requirement. Four alternatives are offered to the inheritors (usually family members or relatives):

1. The inheritors can decide together to assign the entire plot to one heir;
2. The inheritors can register the plots under a family property partnership;
3. The inheritors can establish a limited company that administers the land, each inheritor owning stock in the company proportional to their share of the inheritance; or
4. The inheritors can transfer the entire property to a third party.

If the inheritors cannot decide on one of the above options, the court will then take control of the property. The courts will likely sell the land as a whole and provide each inheritor with an equal share of the proceeds.

The law also establishes a minimum size requirement for plots of land. This aims to combine agricultural plots that are not big enough to meet the requirement. Owners are also prohibited from selling plots of land if they do not meet the minimum size requirements. The minimum size requirements are as follows:

- Special product lands and marginal agricultural lands – 2 hectares (about 5 acres)
- Cultivated agricultural lands – 0.5 hectares (about 1.2 acres)
- Greenhouse agricultural lands – 0.3 hectares (about 0.75 acres)

The texts (in Turkish) of Law No. 4721 and Law No. 5403 (including amendments) can be found using the following links:

Law No. 4721: <http://www.mevzuat.gov.tr/MevzuatMetin/1.5.4721.pdf>

Law No. 5403: <http://www.mevzuat.gov.tr/MevzuatMetin/1.5.5403.pdf>